



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
**DIVISION OF ACCOUNTING**

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**M E M O R A N D U M**

**#08-17**

TO: All Department & School Fiscal Officers

FROM: Trisha L. Neely, Director

DATE: May 20, 2008

SUBJECT: **FY 2009 TENTATIVE FRINGE BENEFITS COSTS**

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The tentative charges for fringe benefits for **Fiscal Year 2009** are as follows (if there are any changes you will be promptly notified):

**F.I.C.A. - EMPLOYER'S SHARE**

The **Maximum Old Age Survivors Disability Insurance (O.A.S.D.I.)** withholding effective for the period July 1, 2008, through December 31, 2008, is based on earnings of \$102,000 at a rate of 6.2%. The earnings maximum for Medicare withholding effective for the period July 1, 2008, through December 31, 2008, is unlimited at a rate of 1.45%. Effective **January 1, 2009**, the employer rate is expected to remain 6.2% for O.A.S.D.I. and 1.45% for Medicare. The O.A.S.D.I. maximum earnings rate has not been published but will be provided as soon as it becomes available; the Medicare maximum earnings will be unlimited.

**PENSION**

The pension cost calculation rate for **FY 2009** is currently expected to be 16.14%.

**HEALTH INSURANCE**

Effective July 1, 2008, the State's contribution for eligible employees is attached. An eligible employee is one with three (3) months or more continuous full-time service.

## **WORKER'S COMPENSATION**

\*The rate effective July 1, 2008, is 1.75% of payroll.

## **DEFERRED COMPENSATION MATCH**

\*The rate effective July 1, 2008, is .20% of payroll.

\*Workers Comp and Deferred Comp are charged together as a combined rate of 1.95%.

## **UNEMPLOYMENT INSURANCE**

The rate effective July 1, 2008, is 0.17% of payroll.

**NOTE:** All employer fringe benefits above will automatically be charged to budgetary accounts.

All payroll recordings (Object codes 1001-1199) are to be done on an EX form. For schools, all General Fund payroll appropriations 0101 through 0136, and 0138 will have employer fringe benefits charged to appropriation 0139. For all non-school agencies, salaries will be charged to appropriation 0137 and will have fringes charged to 0137. Therefore, **unless** payroll recordings are between schools' General Fund appropriations 0101 and 0136, and 0138, the EX form must also show recoding of all applicable fringe benefits between the payroll accounts being recoded.

TLN:eed

Attachment

## FY2009 HEALTH CARE RATES

New Rates Effective July 1, 2007	Total Monthly Rate	State Pays	Employee/ Pensioner Pays Monthly
<b>First State Basic Plan Administered by Blue Cross Blue Shield of Delaware</b>			
Employee	\$472.12	\$472.12	\$0
Employee & Spouse	\$976.86	\$976.86	\$0
Employee & Child(ren)	\$717.7	\$717.70	\$0
Family	\$1,221.10	\$1,221.10	\$0
<b>Aetna HMO Administered by Aetna</b>			
Employee	\$487.22	\$472.12	\$15.10
Employee & Spouse	\$1,022.18	\$976.86	\$45.32
Employee & Child(ren)	\$744.10	\$717.70	\$26.40
Family	\$1,276.06	\$1,221.10	\$54.96
<b>Blue Care Administered by Blue Cross Blue Shield of Delaware</b>			
Employee	\$487.52	\$472.12	\$15.40
Employee & Spouse	\$1,024.56	\$976.86	\$47.70
Employee & Child(ren)	\$744.64	\$717.70	\$26.94
Family	\$1,278.94	\$1,221.10	\$57.84
<b>Comprehensive PPO Plan Administered by Blue Cross Blue Shield of Delaware</b>			
Employee	\$520.72	\$472.12	\$48.60
Employee & Spouse	\$1,079.78	\$976.86	\$102.92
Employee & Child(ren)	\$799.82	\$717.70	\$82.12
Family	\$1,349.84	\$1,221.10	\$128.74